

Embracing Innovation:

A Key Strategy for Addressing the Affordable Housing Crisis



**FY 2019 SC Housing Statewide
Economic Impact Report**

Message from the Executive Director

In 2019, we began a conversation that invited every South Carolinian to join us in creating a shared vision for affordable housing in our state. The resounding message echoed by community partners as we canvassed the state is that there is a growing need for more innovative and integrated approaches, collaborative partnerships, and collective strategies that take into account the full extent of affordable housing needs at the individual and community level.

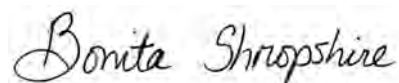
This new call to action requires that we begin to explore the other related issues that are either driving the housing crisis on the local level and/or intensifying its impact for individuals and families. As we see housing costs increase and outpace wage earnings, it is causing a ripple effect and impacting the quality of life for many families. According to our recently published Volume 1 of the South Carolina Housing Needs Assessment, published in August 2019, "this shortfall, known as shelter poverty, imposes a cost on the state of South Carolina of \$8.4 billion that is borne by public assistance, private charity, or personal deprivation."

Despite these challenges, SC Housing continues to make great strides in supporting the development of affordable housing. Annually, we contract with the University of South Carolina's Moore School of Business to conduct an economic analysis of the benefits realized by the state as a result of our program investments. In FY 2019, these independent researchers determined that for every \$100 invested in our programs, we returned \$179 to the state's economy. This represents \$1.12 billion in economic impact of the agency's investments, supporting 7,260 jobs (full-time equivalent) and \$74.8 million in state and local tax revenues generated.

We use data to ensure that programs and policies are evidence based and represent industry best practices in design, service delivery, and quality. This information ensures that we are implementing strategies and investing resources in a way that produces maximum benefit for our citizens who are in need of safe, quality, affordable housing. This year's report includes an additional Decade in Review section, which shows our program trends over the last ten years. It allows us the unique opportunity to evaluate our impact and program trends against the backdrop of an ever-changing housing industry that is heavily impacted by shifting market conditions.

We expect affordable housing to continue to be a preeminent concern for citizens and communities in 2020. However, SC Housing embraces innovation as a key strategy for change and pledges its commitment to partnering with communities around creative solutions that are a good fit for all South Carolinians. Never has our mission been more vital and partnerships more crucial to the best interest of our state and its citizens.

Sincerely,



Bonita Shropshire, Executive Director



2019 Board of Commissioners



Robert D. Mickle, Jr.
Acting Chairman



Sue-Ann Gerald Shannon
Vice Chairman



Charles E. Gardner

Our Board of Commissioners is appointed by the Governor with the consent of the Senate. Their expertise includes mortgage finance, banking, real estate, business and related nonprofit industries.



David "Chris" Goodall



Kenneth E. Ormand, Jr.



Bradley Allen



Mary L. Sieck

Mission

Create quality affordable housing opportunities for the citizens of South Carolina.

Vision

The vision of SC Housing is that all South Carolinians have the opportunity to live in safe, decent and affordable housing.

*Pointe at Blythewood
Blythewood, S.C.
Housing Tax Credit*



Methodology and Overview

The Preserve at Logan Park construction site, Greenville, S.C.
Housing Tax Credit/
Tax Exempt Bond



The figures contained in this report detail the economic impact of SC Housing for Fiscal Year 2019 (July 1, 2018 to June 30, 2019). All estimates were generated using data provided by SC Housing. There are two figures that are reported as part of this impact analysis: output and employment. Each is comprised of a direct, indirect and induced impact.

Output

The economic output of an organization is defined as the dollar value of production, or the dollar value of the final goods and services produced by that organization. For example, if SC Housing were to fund the construction of a multi-family housing unit, the direct economic output would represent the total sales activity resulting from the construction (e.g., roofing materials, lumber, drywall). The economic output of an organization's activity is the dollar value representing the final demand for goods and services produced for that activity.



Architectural rendering of the finished housing units at the Preserve at Logan Park

Employment

Employment is defined as the number of jobs (full-time equivalent) that are needed to deliver the demand for the final goods and services associated with the organizations and activities being measured. Output and employment are two standard figures that show the economic impact of an organization on its local economy. Both of these factors, however, have an impact on the economy in three different ways. Thus, both are broken down into a direct impact, indirect impact, and induced impact.



Commissioner Charles E. Gardner speaks at a March 2019 groundbreaking ceremony for the Preserve at Logan Park.

Direct Impact

The direct impact of an organization represents the effects of that organization's expenditures – that is – local purchases and wages that are inserted into the local economy. These expenditures represent the initial change to the local economy and are often used as the raw input data for an economic analysis. For example, if SC Housing were to spend \$1 million that it received from Housing and Urban Development (HUD) on the rehabilitation of a multi-family property, this initial spending change to the local economy represents the direct impact.

Indirect Impact

The indirect impact represents additional economic impacts resulting from changes in the demand of industry suppliers and inter-industry transactions. Using the previous example cited, if SC Housing were to spend \$1 million on unit rehabilitation, it would increase the demand for suppliers of goods such as roofing materials and drywall. These suppliers must then purchase inputs from other business suppliers, who in turn purchase inputs from yet more suppliers, and so on. This continues and creates additional demand in many sectors of the local economy, which is what is measured by the indirect impact.

Induced Impact

The induced impact represents additional economic impacts that result from changes in household spending in the local economy. Using the example cited, employees working in remodeling who benefit from a wage growth due to the increase in demand

of their services, will spend some of that income in the local economy on entertainment and food. The entertainment and food businesses will then experience increases in demand for their products and some employees will see additional income, and again, spend it locally. This pattern continues. These changes in household spending represent the induced impact.

Successive rounds of indirect and induced spending do not continue indefinitely. Sometimes money may be redistributed, for example, some inputs might be purchased from outside of the local economy or employee incomes may be saved instead of being spent. Because the spending rounds are finite, a value can be calculated for each of them. The output and employment estimates reported represent total values – that is, the sum of all impacts.

Taxes

Total tax revenue represents the additional state tax revenue that is collected as the result of increased expenditures in the local economy. These tax figures represent revenue collected from employee compensation, sales, property, production, households and corporations. They represent tax revenue generated from the direct, indirect and induced impacts of the increased expenditures.

Software

This report uses the software package IMPLAN to calculate all estimates, which is the industry standard software package used by professional, regional economists to conduct input-output analyses.

Interpreting Reported Estimates

It is important to recognize that the various program investments in specific regions (i.e., counties or congressional districts) will generate positive economic output not only for those specific regions, but also for other areas of South Carolina. This is because part of the economic output generated spills over into neighboring regions through many rounds of business and consumer spending activity. Regardless of where a specific program is implemented, part of the economic output it generates will ultimately affect areas of the state outside of that region. All estimates reflect the total economic output that is generated for S.C. as a whole by the specific programs within their specific regions.

Programs at a Glance



Single-Family Programs

Single-family activities include mortgages and down payment assistance issued through our Homebuyer, Palmetto Home Advantage, Hardest Hit Down Payment Assistance (HHF DPA) and Palmetto Heroes homeownership programs, and Mortgage Credit Certificate (MCC) program. In addition, the agency offers rehabilitation and emergency repair funding through the South Carolina Housing Trust Fund (SCHTF).



Multifamily Programs

Multifamily activities include properties developed through the Low Income Housing Tax Credit (LIHTC) program and the agency's Small Rental Development Program which utilizes funds from National Housing Trust Fund (NHTF), SCHTF and the HOME Investment Partnerships Program (HOME). The agency also has a Multifamily Tax Exempt Bond program through its bond ceiling allocation and funds group homes for the disabled, transitional, supportive housing and other rental housing through SCHTF and HOME.



Housing Assistance

On behalf of the U.S. Department of Housing and Urban Development, SC Housing administers two rental assistance programs, the Housing Choice Voucher Program in seven counties (Clarendon, Colleton, Dorchester, Fairfield, Kershaw, Lee and Lexington) and Multifamily Project-Based Rental Assistance contracts throughout the state.

Single-Family Homeownership

HOMEBUYER PROGRAM

The Homebuyer Program provides funding for mortgage loans to qualified families and individuals through the issuance of mortgage revenue bonds. SC Housing loans offer fixed rate FHA and conventional financing with competitive interest rates and forgivable down payment assistance (DPA).

SC Housing has some flexibility to adjust these interest rates as the market dictates and ensure the financial integrity of the program while putting homeownership within the reach of more South Carolinians. Homebuyers purchasing homes under the program must meet credit standards, as well as income and purchase price restrictions, which vary by county.

SC MORTGAGE TAX CREDIT PROGRAM

The SC Mortgage Tax Credit Program, also known as a Mortgage Credit Certificate, allows a homebuyer to take a federal income tax credit for a portion of the annual interest they pay on their mortgage loan. It can save a borrower up to \$2,000 each year they occupy the home and can be taken each year for the life of the loan, as long as it is their primary residence.

SC HELP

The South Carolina Homeownership and Employment Lending Program, or SC HELP, was launched in early 2011 as part of the U.S. Department of the Treasury's Hardest Hit Fund (HHF). Application submittals were closed as of November 30, 2017, due to exhaustion of federal funds. All qualified applications received prior to this time received assistance. Final processing and program wrap-up has continued.

The SC HELP program is currently winding down. It provided assistance to responsible homeowners who were facing foreclosure - assisting 13,447 SC homeowners with \$232.5 million in foreclosure over the life of the program.

MULTIFAMILY

5,180 UNITS

\$249.7M

Tax Exempt Bond, Housing Tax Credit, Housing Trust Fund and HOME

SINGLE-FAMILY

4,140 UNITS

\$214.3M

Mortgage Bonds, MCC, Housing Trust, HOME, SC HELP

HOUSING ASSISTANCE

20,135 UNITS

\$149.6M

U.S. Department of Housing and Urban Development's Housing Choice Voucher Program and Project-Based Contract Administration

SC HOUSING

\$12.2M

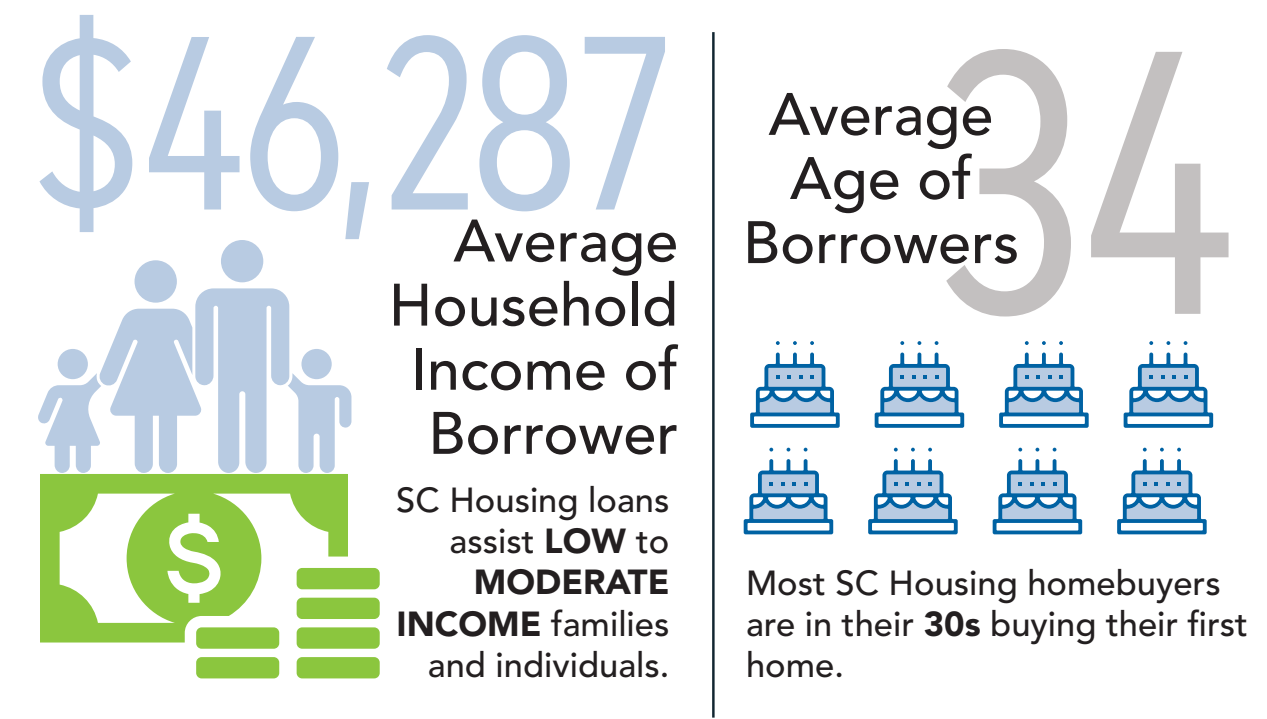
Agency Purchasing, Payroll & Employment



SC Housing continues its homeownership outreach efforts through participation in statewide community events and lender and realtor training classes.

SC Housing partnered with Federal Home Loan Bank Atlanta to offer an additional \$2,000 in forgivable down payment assistance to qualified Palmetto Heroes homebuyers through their Community Heroes Program.

Creating a Framework for Responsible Borrowing



Mission

Quality affordable housing opportunities for all citizens of South Carolina

Vision

All South Carolinians have the opportunity to live in safe, decent and affordable housing.

Faces of Home

Isabella Gormanson's family bought their first home using SC Housing's homebuyer program. The next year, she entered the agency's 2003 "What My Home Means to Me" Essay and Coloring contest. She garnered an Honorable Mention, and her work was displayed at the Palmetto Affordable Housing Forum in Columbia.

Isabella went on to pursue her academic interests, graduating from Berea College. She is now pursuing her Masters of Social Work at the University of South Carolina. Her passion for finding solutions to homelessness and furthering the cause of affordable housing for all earned her an internship with SC Housing in 2019.

Single-Family/Multifamily Rental

HOME INVESTMENT PARTNERSHIPS PROGRAM

HOME Investment Partnerships Program is designed as a partnership program with the Department of Housing and Urban Development (HUD), state and local governments, and those in the nonprofit and for-profit sectors who build, own, manage, finance and support low-income housing initiatives. Funding is awarded each program year for rental housing developments that benefit households at 80 percent or below the county median income.

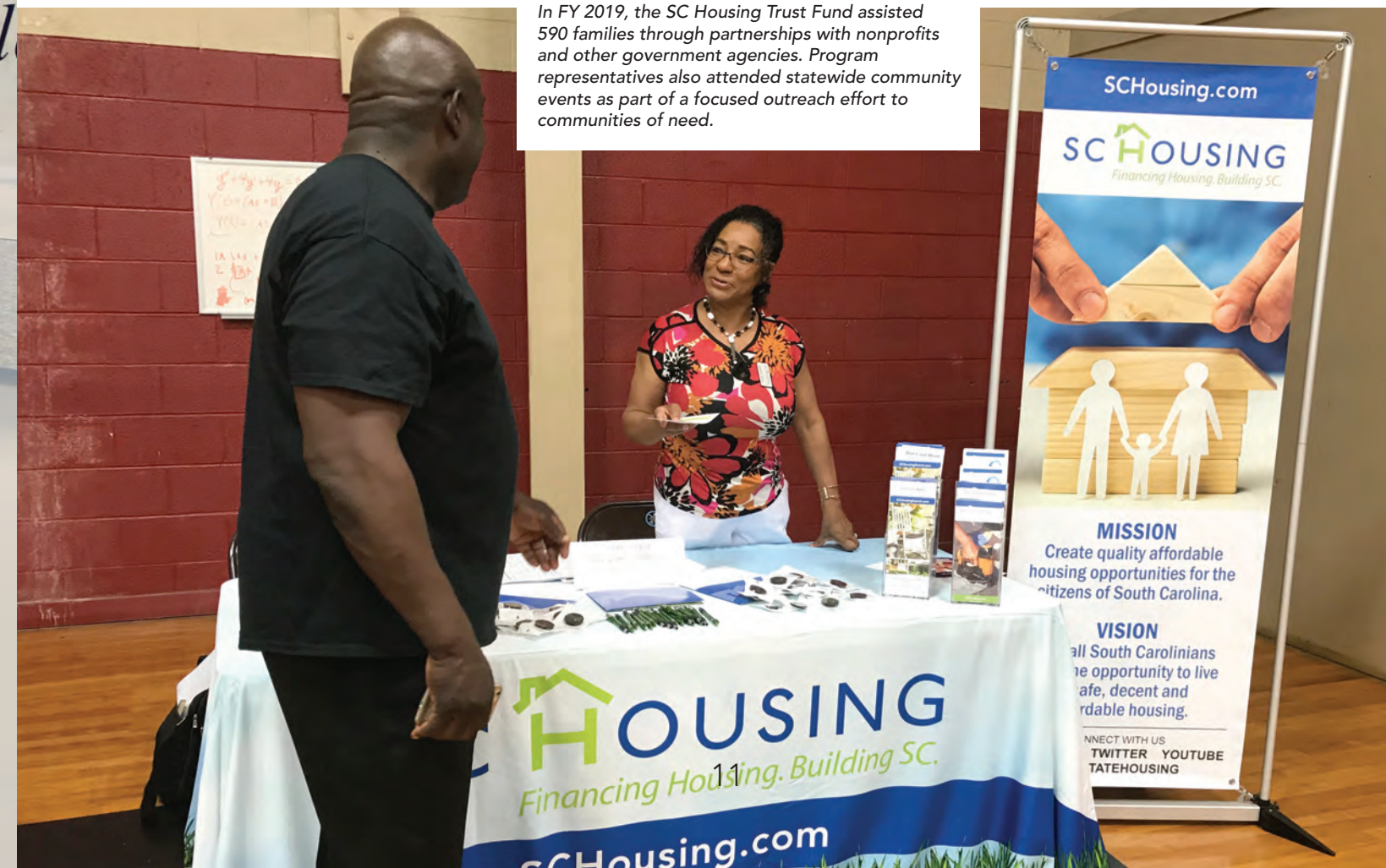
NATIONAL HOUSING TRUST FUND

The National Housing Trust Fund is an affordable housing production program that complements existing federal, state and local efforts to increase and preserve the supply of decent, safe and sanitary housing for extremely low-income households. It is a formula-based grant program funded through HUD. The Governor has designated SC Housing as administrator of the program in South Carolina.

SOUTH CAROLINA HOUSING TRUST FUND

The South Carolina Housing Trust Fund Program was created by the General Assembly in 1992. This program is funded with dollars collected from a dedicated portion of the deed stamp tax and provides funding for affordable housing opportunities for low-income South Carolinians. Eligible activities include the rehabilitation and repair of single-family homes, as well as development of group homes for individuals who are disabled and transitional and supportive housing and shelters. All of this is accomplished by building partnerships among government agencies, qualified nonprofit sponsors and those in need of affordable housing.

In FY 2019, the SC Housing Trust Fund assisted 590 families through partnerships with nonprofits and other government agencies. Program representatives also attended statewide community events as part of a focused outreach effort to communities of need.





Multifamily Rental

HOUSING TAX CREDIT PROGRAM

The Housing Tax Credit Program (LIHTC) provides a tax incentive to develop multifamily rental housing. Allocations of credits are used to leverage public, private and other funds in order to keep rents affordable. Developments that may qualify for credits include new construction, acquisition with rehabilitation and adaptive re-use. Owners can take the credit for up to ten years if the rental property remains in compliance with occupancy and rent restrictions for at least 30 years. These credits can be used as a dollar-for-dollar reduction in federal income tax liability. Compliance with the Qualified Allocation Plan (QAP) and Manual are required for the credits to be allocated.

Cinnaberry Pointe (pictured left) ribbon cutting (Housing Tax Credit)



Faces of Home

"I like to take my time and make a plan," Ronald Lorick says, explaining why he hasn't yet hung the curtains in his beautifully decorated new apartment at Cinnaberry Pointe in Irmo, S.C. Ronald first heard about the proposed affordable housing development through news stories detailing public opposition to building "low income housing" in the area. But Ronald saw an opportunity to finally return to his hometown to enjoy his retirement years. He contacted Mayor Hardy King and told him how much it would mean to him to be able to have safe and affordable housing in a community he loved and called home. The mayor put him in touch with the Cinnaberry Pointe management service. A few months later he was ready to decorate his new home.

"It's safe here. And it's close to grocery stores, my doctor's office and everything I need. I wish people were more educated about these developments. They hear low income and get afraid, but I love it here!"

Multifamily Rental

MULTIFAMILY TAX EXEMPT BOND PROGRAM

The Multifamily Tax Exempt Bond Program provides a mechanism for obtaining permanent, low interest financing from the sale of tax exempt bonds. This financing is used for construction and/or acquisition and rehabilitation of multifamily rental housing. A percentage of the property's units must be set aside at all times for occupancy by low- to moderate-income individuals and families. The use of tax exempt bonds allows the allocation of 4 percent tax credits to the property. Compliance with the Housing Tax Credit Program Qualified Allocation Plan (QAP) and Manual are required for the credits to be allocated.

Housing Assistance

PROJECT-BASED CONTRACT ADMINISTRATION PROGRAM

The Project-Based Contract Administration Program is responsible for the administration of HUD's multifamily project-based rental housing portfolio in South Carolina. Contract Administrators work on behalf of HUD with owners and management agents who provide HUD-subsidized apartments in privately-owned complexes. Administration of the program includes: reviewing and approving monthly assistance payments, conducting periodic management and occupancy reviews, responding to tenant complaints, processing actions related to subsidy contracts and reporting and tracking processes required under the contract between SC Housing and HUD.

HOUSING CHOICE VOUCHER PROGRAM

The Housing Choice Voucher Program is a federal government program for assisting families who have very low incomes with access to decent, safe and sanitary housing in the private market. SC Housing administers the program in seven counties (Clarendon, Colleton, Dorchester, Fairfield, Kershaw, Lee and Lexington) through a contract with HUD. Families may choose any housing that meets program requirements. The program is limited, and currently, families must apply to be placed on a waiting list, when open. A housing subsidy is paid directly to the landlord on behalf of the family, and the family then pays any difference between the actual permissible rent charged and the amount subsidized.



Parkside at Drayton, Spartanburg (Housing Tax Credit)

Faces of Home

Photos of friends and family are displayed throughout the apartment of "Ms. Lou" (Louvencer Browning), a resident of one of the 41 new units on the east side of Spartanburg's Parkside at Drayton development.

Ms. Lou was in the hospital having hip replacement surgery when she found out her application had been accepted. Now it's a short walk down the hallway to the gym where she exercises four days a week. It's also close to her pharmacy, doctor and shopping. "You never see a sad face here! If I'm in the gym, in the library or just walking around the neighborhood, everyone loves it here."

"I had to pay a fortune before, and you should see the condition of some of the places. I'm just so thankful that someone thought about affordable housing for seniors. I love it here."



Ensuring Rental Affordability and Quality Compliance

 **263**
(On-site/Desktop)

Compliance Monitoring
Reviews Completed

 **HUD Annual
Compliance
Reviews**

No Findings or
Observations

3,228

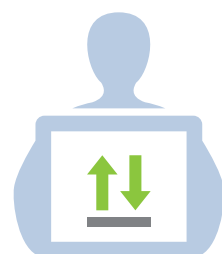


Total Fiscal Year Vouchers
Processed (269 Monthly)



Housing Subsidy
Payments Dispersed

\$136M



221

Rent Adjustments

28



Contract Renewals

Statewide Impact

Total Economic Output
\$1,122,627,592

Total Investments
\$625,828,592

Total Single-Family Units
4,140

Total Multifamily Units
5,180

Total Housing Assistance Units
20,135

Total Jobs Created
7,260

Total Tax Revenue Generated
\$74,757,428

Regardless of where a specific program is implemented, part of the economic output it generates will ultimately affect areas of the state outside of that region. As such, all estimates reflect the total economic output that is generated for South Carolina as a whole.



COUNTY	TOTAL INVESTMENT	TOTAL ECONOMIC OUTPUT	TOTAL EMPLOYMENT	TOTAL TAX REVENUE	TOTAL UNITS
BEAUFORT	\$11,058,023	\$19,585,044	125	\$1,307,332	448
BERKELEY	\$64,539,613	\$119,626,368	766	\$7,691,950	1,101
CHARLESTON	\$18,370,748	\$31,268,045	199	\$2,193,721	1,103
DORCHESTER	\$26,981,461	\$49,078,638	306	\$3,462,471	1,183

PROGRAM	TOTAL INVESTMENT	TOTAL ECONOMIC OUTPUT	TOTAL EMPLOYMENT	TOTAL TAX REVENUE	TOTAL UNITS
HOMEOWNERSHIP	\$38,149,147	\$74,871,766	458	\$5,350,336	393
CONTRACT ADMINISTRATION	\$17,976,915	\$27,345,827	173	\$2,117,662	2,142
HOUSING TRUST FUND	\$743,422	\$1,307,454	9	\$75,244	45
LIHTC	\$60,862,672	\$110,726,983	724	\$6,712,270	800
SC HELP	\$932,019	\$1,829,187	11	\$130,713	118
VOUCHER	\$2,285,670	\$3,476,878	22	\$269,249	337

Congressional District 1

BEAUFORT, BERKELEY, CHARLESTON*, COLLETON* AND DORCHESTER* COUNTIES

**Denotes partial county*

Single-Family Units - 533
Multifamily Units - 823
Housing Assistance Units - 2,479



IMPACT TOTALS

Investment
\$120,949,845

Economic Output
\$219,558,095

Jobs Created
1,396

Tax Revenue
\$14,655,474

Households Assisted
3,835

Featured Property:

Marsh Pointe
Apartments

Beaufort, S.C.
Housing Tax Credit



Congressional District 2

AIKEN, BARNWELL, LEXINGTON, ORANGEBURG* AND RICHLAND* COUNTIES

**Denotes partial county*

Single-Family Units - 1,030
Multifamily Units - 348
Housing Assistance Units - 2,794



IMPACT TOTALS

Investment
\$100,628,664

Economic Output
\$186,440,352

Jobs Created
1,245

Tax Revenue
\$12,180,443

Households Assisted
4,172

Featured Property:

Edgewater
Apartments
North Augusta, S.C.
Housing Tax Credit



COUNTY	TOTAL INVESTMENT	TOTAL ECONOMIC OUTPUT	TOTAL EMPLOYMENT	TOTAL TAX REVENUE	TOTAL UNITS
AIKEN	\$15,298,634	\$27,164,393	173	\$1,833,970	710
BARNWELL	\$1,331,967	\$2,133,549	13	\$161,087	166
LEXINGTON	\$52,576,406	\$97,436,834	690	\$5,955,430	2,236
ORANGEBURG	\$403,111	\$695,485	4	\$50,733	43
RICHLAND	\$31,018,544	\$59,010,087	364	\$4,179,224	1,017

PROGRAM	TOTAL INVESTMENT	TOTAL ECONOMIC OUTPUT	TOTAL EMPLOYMENT	TOTAL TAX REVENUE	TOTAL UNITS
HOMEOWNERSHIP	\$53,018,986	\$104,055,406	636	\$7,435,800	653
CONTRACT ADMINISTRATION	\$13,217,112	\$20,105,388	127	\$1,556,962	1,747
HOUSING TRUST FUND	\$568,879	\$1,000,484	7	\$57,578	37
LIHTC	\$17,733,260	\$32,261,979	211	\$1,955,721	336
SC HELP	\$3,498,757	\$6,866,684	42	\$490,693	352
VOUCHER	\$5,803,877	\$8,828,645	56	\$683,690	1,047



Congressional District 3

ABBEVILLE, ANDERSON, EDGEFIELD, GREENVILLE,* GREENWOOD, LAURENS,* MCCORMICK,* NEWBERRY,* OCONEE, PICKENS AND SALUDA COUNTIES

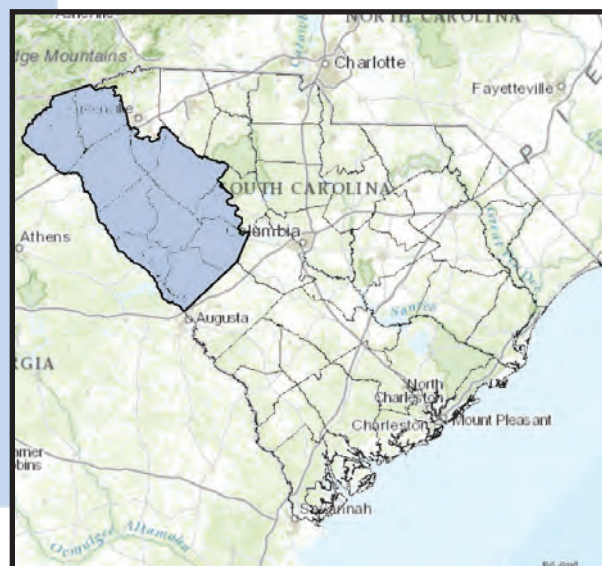
**Denotes partial county*

Single-Family Units - 288

Multifamily Units - 294

Housing Assistance Units - 2,943

*Featured Property:
Hunter Oaks Apartments
Seneca, S.C. - Housing Tax Credit*



FY 2019 SC HOUSING STATEWIDE ECONOMIC IMPACT REPORT

IMPACT TOTALS

Investment
\$56,016,110

Economic Output
\$97,162,056

Jobs Created
620

Tax Revenue
\$6,624,791

Households Assisted
3,525



COUNTY	TOTAL INVESTMENT	TOTAL ECONOMIC OUTPUT	TOTAL EMPLOYMENT	TOTAL TAX REVENUE	TOTAL UNITS
ABBEVILLE	\$3,836,964	\$6,549,142	42	\$435,123	308
ANDERSON	\$17,035,568	\$29,017,437	184	\$2,030,274	1,200
EDGEFIELD	\$828,161	\$1,272,829	8	\$97,500	116
GREENVILLE	\$2,469,127	\$4,816,750	30	\$340,704	51
GREENWOOD	\$9,662,335	\$16,700,841	108	\$1,084,624	485
LAURENS	\$5,794,144	\$10,025,991	64	\$684,574	462
MCCORMICK	\$477,539	\$728,823	5	\$56,376	61
NEWBERRY	\$27,499	\$53,970	0	\$3,857	3
OCONEE	\$10,477,242	\$18,467,360	119	\$1,190,976	409
PICKENS	\$4,625,898	\$8,151,084	51	\$599,697	374
SALUDA	\$781,633	\$1,377,829	9	\$101,086	56

PROGRAM	TOTAL INVESTMENT	TOTAL ECONOMIC OUTPUT	TOTAL EMPLOYMENT	TOTAL TAX REVENUE	TOTAL UNITS
HOMEOWNERSHIP	\$9,988,450	\$19,603,397	120	\$1,400,859	146
CONTRACT ADMINISTRATION	\$20,209,061	\$30,741,283	194	\$2,380,605	2,943
HOME HOUSING TRUST FUND	\$542,914	\$825,861	5	\$50,063	8
LIHTC	\$709,016	\$1,246,944	8	\$71,761	48
LIHTC	\$23,590,996	\$42,918,913	281	\$2,601,744	280
NIP*	\$437,472	\$769,380	5	\$44,278	16
SC HELP	\$538,201	\$1,056,278	6	\$75,481	84

**Neighborhood Initiative Program*

Congressional District 4

GREENVILLE* AND SPARTANBURG* COUNTIES

**Denotes partial county*

Single-Family Units - 582
Multifamily Units - 572
Housing Assistance Units - 3,002



COUNTY	TOTAL INVESTMENT	TOTAL ECONOMIC OUTPUT	TOTAL EMPLOYMENT	TOTAL TAX REVENUE	TOTAL UNITS
GREENVILLE	\$57,763,050	\$100,387,915	640	\$6,815,511	2,924
SPARTANBURG	\$30,355,579	\$55,335,821	349	\$3,758,571	1,232

PROGRAM	TOTAL INVESTMENT	TOTAL ECONOMIC OUTPUT	TOTAL EMPLOYMENT	TOTAL TAX REVENUE	TOTAL UNITS
HOMEOWNERSHIP	\$24,122,984	\$47,343,926	289	\$3,383,197	304
CONTRACT ADMINISTRATION	\$24,366,718	\$37,065,759	234	\$2,870,373	3,001
HOME	\$2,161,208	\$3,287,551	21	\$199,292	72
HOUSING TRUST FUND	\$1,061,041	\$1,866,049	12	\$107,391	76
LIHTC	\$31,520,511	\$57,345,019	375	\$3,476,255	388
NIP	\$3,779,108	\$6,646,302	44	\$382,494	140
SCHELP	\$1,098,923	\$2,156,754	13	\$154,122	174
VOUCHER	\$8,136	\$12,376	0	\$958	1

IMPACT TOTALS

Investment Tax Revenue
\$88,118,629 \$10,574,082

Economic Output Households Assisted
\$155,723,736 4,156

Jobs Created
989

Featured Property:

Parkside at Drayton
Spartanburg, S.C.
Housing Tax Credit





Congressional District 5

CHEROKEE, CHESTER, FAIRFIELD, KERSHAW, LANCASTER, LEE, NEWBERRY,* SPARTANBURG,* SUMTER,* UNION AND YORK COUNTIES

**Denotes partial county*

- Single-Family Units - 605
- Multifamily Units - 683
- Housing Assistance Units - 2,345



COUNTY	TOTAL INVESTMENT	TOTAL ECONOMIC OUTPUT	TOTAL EMPLOYMENT	TOTAL TAX REVENUE	TOTAL UNITS
CHEROKEE	\$2,198,343	\$3,782,625	23	\$281,267	217
CHESTER	\$1,294,912	\$2,235,373	14	\$162,152	130
FAIRFIELD	\$4,414,399	\$7,514,956	48	\$507,694	363
KERSHAW	\$6,029,654	\$10,491,876	66	\$743,208	521
LANCASTER	\$8,700,455	\$15,569,664	100	\$1,025,239	444
LEE	\$3,074,712	\$5,164,306	33	\$350,237	356
NEWBERRY	\$1,519,305	\$2,553,656	16	\$190,039	153
SUMTER	\$14,572,405	\$27,151,110	169	\$1,890,544	597
UNION	\$911,925	\$1,422,948	9	\$108,848	136
YORK	\$23,059,634	\$42,872,850	269	\$2,920,976	716

PROGRAM	TOTAL INVESTMENT	TOTAL ECONOMIC OUTPUT	TOTAL EMPLOYMENT	TOTAL TAX REVENUE	TOTAL UNITS
HOMEOWNERSHIP	\$25,187,880	\$49,433,898	302	\$3,532,546	316
CONTRACT ADMINISTRATION	\$13,880,354	\$21,114,286	133	\$1,635,090	1,912
HOME	\$247,862	\$377,039	2	\$22,856	1
HOUSING TRUST FUND	\$537,097	\$944,591	6	\$54,361	58
LIHTC	\$21,814,843	\$39,687,572	260	\$2,405,861	682
NIP	\$100,565	\$176,863	1	\$10,179	4
SC HELP	\$2,105,810	\$4,132,876	25	\$295,336	227
VOUCHER	\$1,901,333	\$2,892,239	18	\$223,975	433



Featured Property:
Parkside at Bethel
Clover, S.C.
Housing Tax Credit

IMPACT TOTALS
Investment
\$65,775,744

Economic Output
\$118,759,364

Jobs Created
748

Tax Revenue
\$8,180,204

Households Assisted
3,633

Congressional District 6

ALLENDALE, BAMBERG, BEAUFORT,*
BERKELEY,* CALHOUN, CHARLESTON,*
CLARENDON, COLLETON,* DORCHESTER,*
FLORENCE,* HAMPTON, JASPER,
ORANGEBURG,* RICHLAND,* SUMTER*
AND WILLIAMSBURG COUNTIES

*Denotes partial county

Single-Family Units - 714
Multifamily Units - 1,843
Housing Assistance Units - 4,840



Featured Property:

Veranda at
North Main
Columbia, S.C.
Housing Tax
Credit



IMPACT TOTALS

Investment
\$124,444,550

Economic Output
\$219,248,015

Jobs Created
1,461

Tax Revenue
\$14,204,839

Households Assisted
7,397



COUNTY	TOTAL INVESTMENT	TOTAL ECONOMIC OUTPUT	TOTAL EMPLOYMENT	TOTAL TAX REVENUE	TOTAL UNITS
ALLENDALE	\$1,710,751	\$2,699,936	17	\$195,123	184
BAMBERG	\$761,452	\$1,170,402	7	\$89,491	107
BEAUFORT	\$136,966	\$267,671	2	\$18,991	3
BERKELEY	\$2,479,176	\$4,440,625	29	\$290,107	155
CALHOUN	\$1,108,608	\$1,793,860	11	\$135,055	106
CHARLESTON	\$7,827,116	\$13,185,045	82	\$976,477	441
CLARENDON	\$3,160,912	\$5,108,021	32	\$382,824	430
COLLETON	\$3,818,113	\$6,212,148	39	\$467,446	465
DORCHESTER	\$1,203,840	\$1,894,065	12	\$144,276	149
HAMPTON	\$1,920,045	\$3,058,698	19	\$232,945	227
JASPER	\$771,018	\$1,262,398	8	\$91,436	67
ORANGEBURG	\$4,601,260	\$7,366,264	46	\$557,160	658
RICHLAND	\$91,137,970	\$164,086,822	1,113	\$10,162,413	4,124
SUMTER	\$1,208,702	\$2,215,467	14	\$157,077	87
WILLIAMSBURG	\$2,598,621	\$4,486,593	29	\$304,018	194

PROGRAM	TOTAL INVESTMENT	TOTAL ECONOMIC OUTPUT	TOTAL EMPLOYMENT	TOTAL TAX REVENUE	TOTAL UNITS
HOMEOWNERSHIP	\$26,079,966	\$51,184,710	313	\$3,657,660	343
CONTRACT ADMINISTRATION	\$36,193,943	\$55,056,903	347	\$4,263,605	4,424
HOME HOUSING TRUST FUND	\$1,630,379	\$2,480,073	16	\$150,342	303
LIHTC	\$1,801,880	\$3,168,960	21	\$182,375	162
NIP	\$49,107,421	\$89,340,742	584	\$5,415,836	1,528
SC HELP	\$317,714	\$558,762	4	\$32,157	11
VOUCHER	\$2,024,627	\$3,973,545	24	\$283,949	210
SC HOUSING	\$1,858,387	\$2,826,910	18	\$218,915	416
	\$5,430,233	\$10,657,410	133	\$0	0

Congressional District 7

CHESTERFIELD, DARLINGTON, DILLON, FLORENCE,* GEORGETOWN, HORRY, MARION AND MARLBORO COUNTIES

*Denotes partial county

Single-Family Units - 388
Multifamily Units - 617
Housing Assistance Units - 1,732



COUNTY	TOTAL INVESTMENT	TOTAL ECONOMIC OUTPUT	TOTAL EMPLOYMENT	TOTAL TAX REVENUE	TOTAL UNITS
CHESTERFIELD	\$5,412,307	\$9,692,629	62	\$636,153	362
DARLINGTON	\$4,345,080	\$7,156,832	45	\$525,580	449
DILLON	\$1,256,222	\$1,930,147	12	\$147,600	198
FLORENCE	\$23,089,897	\$41,846,533	268	\$2,720,725	618
GEORGETOWN	\$4,047,155	\$7,149,220	46	\$480,356	256
HORRY	\$28,679,135	\$52,421,860	333	\$3,480,593	734
MARION	\$287,352	\$543,089	3	\$37,647	12
MARLBORO	\$2,777,890	\$4,995,678	33	\$308,940	108

PROGRAM	TOTAL INVESTMENT	TOTAL ECONOMIC OUTPUT	TOTAL EMPLOYMENT	TOTAL TAX REVENUE	TOTAL UNITS
HOMEOWNERSHIP	\$19,083,878	\$37,454,144	229	\$2,676,473	243
CONTRACT ADMINISTRATION	\$11,915,702	\$18,125,730	114	\$1,403,658	1,731
HOME HOUSING TRUST FUND	\$2,036,917	\$3,098,483	20	\$187,830	64
LIHTC	\$1,215,802	\$2,138,227	14	\$123,055	68
SC HELP	\$35,118,096	\$63,890,074	418	\$3,873,016	542
VOUCHER	\$523,875	\$1,028,162	6	\$73,472	88
	\$768	\$1,168	0	\$90	1

IMPACT TOTALS

Investment
\$69,895,038

Jobs Created
801

Households Assisted
2,737

Economic Output
\$125,735,988

Tax Revenue
\$8,337,594



Featured Property:

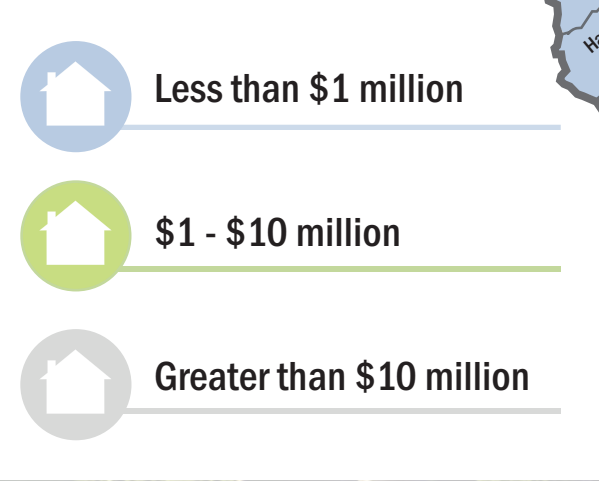
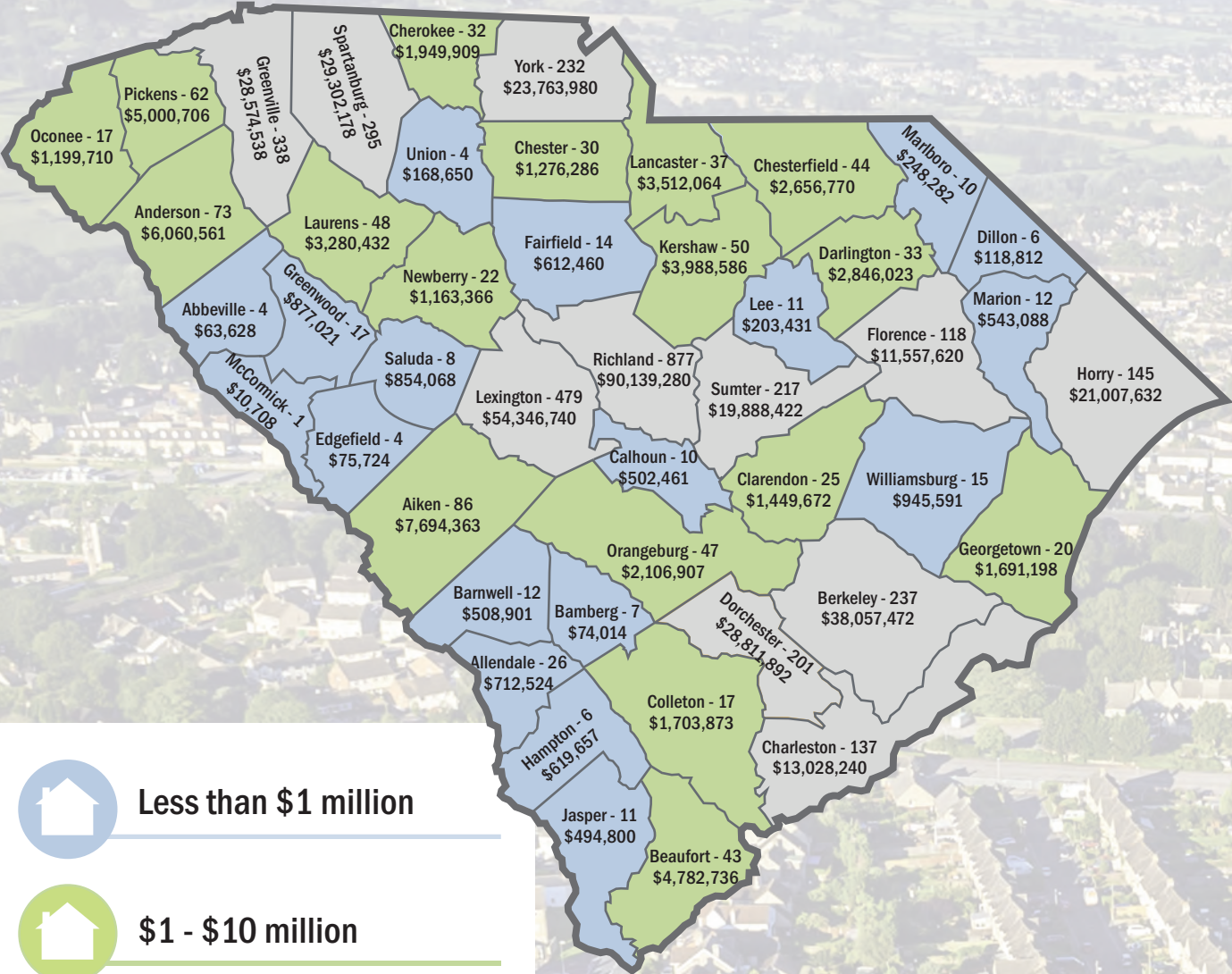
Attwood Pointe
Apartments
Florence, S.C.
Housing Tax Credit



Single-Family Programs by County

This map illustrates the number of fiscal year single-family units that have received an allocation of resources through SC Housing and the economic output of those developments on the community.

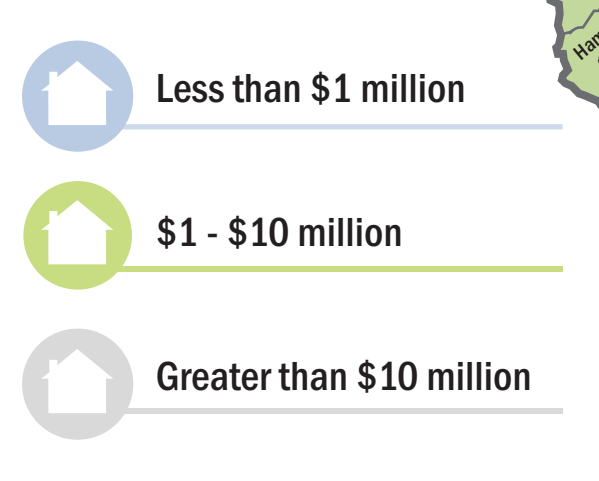
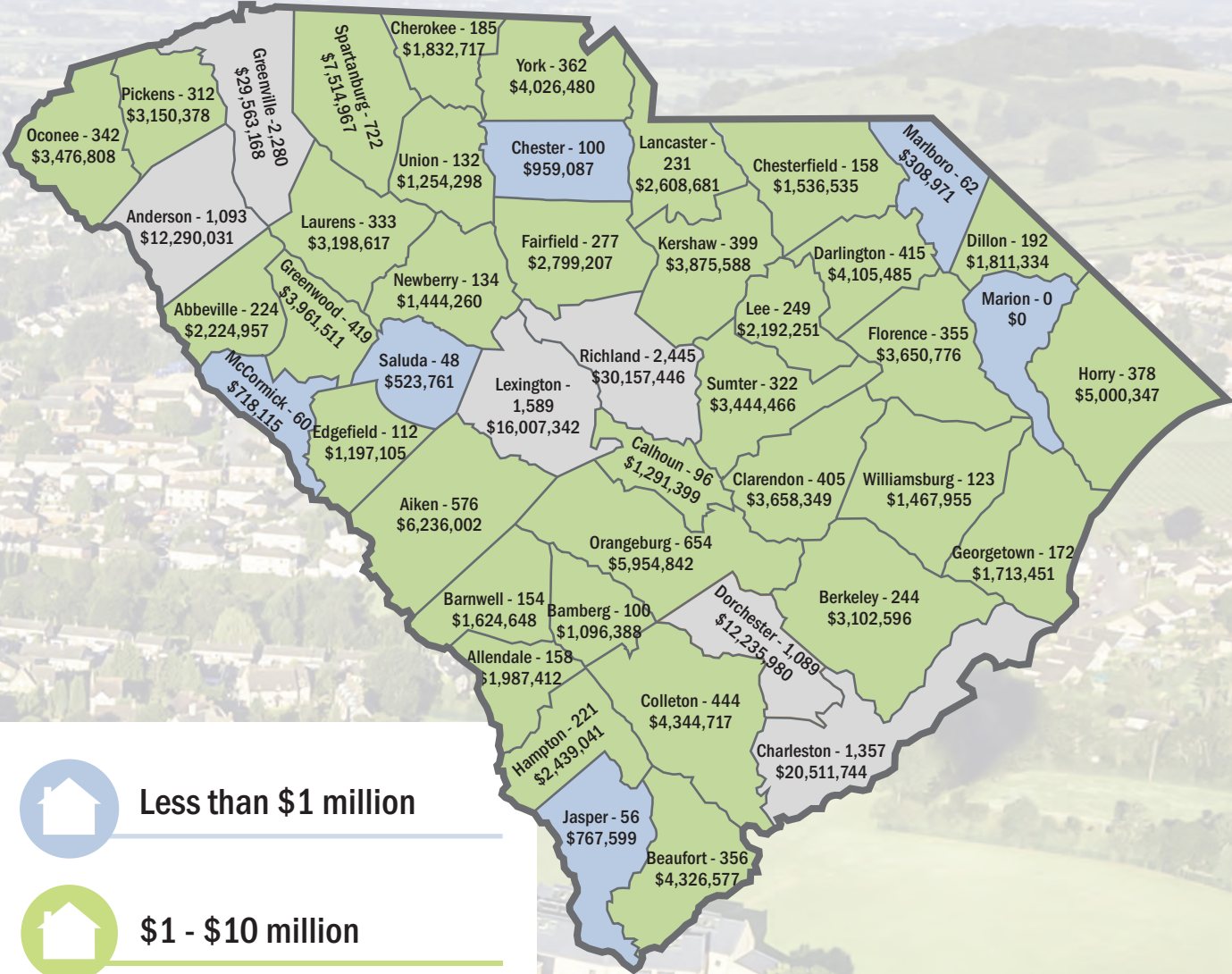
Note: Single-Family Programs include the Mortgage Bond, Housing Trust Fund and HOME Program.



Housing Assistance by County

This map illustrates the number of fiscal year single-family and multifamily units that have received an allocation of resources through SC Housing and the economic output of the rental assistance community.

Note: Housing Assistance Programs include HUD's Housing Choice Voucher Program and Project-Based Contract Administration.



Multifamily Impact by County



COUNTY	ECONOMIC OUTPUT	UNITS
Abbeville	\$4,260,557	80
Aiken	\$13,234,027	48
Anderson	\$10,666,846	34
Beaufort	\$10,743,403	52
Berkeley	\$82,906,920	775
Charleston	\$10,913,103	50
Chesterfield	\$5,499,323	160
Colleton	\$163,559	4
Darlington	\$205,324	1
Dorchester	\$9,924,828	42
Fairfield	\$4,103,288	72
Florence	\$26,638,136	145
Georgetown	\$3,744,571	64
Greenville	\$47,066,956	357
Greenwood	\$11,862,309	49
Horry	\$26,413,882	211
Kershaw	\$2,627,702	72
Lancaster	\$9,448,919	176
Laurens	\$3,546,941	81
Lee	\$2,768,624	96
Lexington	\$13,760,988	168
Marlboro	\$4,438,426	36
Oconee	\$13,790,842	50
Richland	\$92,142,776	1,819
Spartanburg	\$18,518,674	215
Sumter	\$6,033,687	145
Williamsburg	\$2,073,047	56
York	\$15,082,390	122

Multifamily programs are funded on an annual basis through SC Housing’s competitive application process. Market conditions, site suitability and housing demand are considerations. SC Housing strives to promote equitable distribution of multifamily programs throughout the state by encouraging applications for counties that have not received an award in recent years.

This table illustrates the multifamily units that received an allocation of resources through SC Housing and the economic output of those developments in Fiscal Year 2019 in counties experiencing the greatest impact.

Note: Multifamily Programs include the Tax Exempt Bond, Housing Tax Credit, Housing Trust Fund, National Housing Trust Fund and HOME Programs.



Faces of Home

Eva Chatman loves living in the country. She grew up in Greeleyville, SC “about a mile down the road” from the place she has called home since 1989. “I love having my space, and having the trees around me,” she says.

But a few years ago, her home was starting to show the wear that comes with years. She repaired what she could, when she could, “a little at a time as I was able,” but found there were some repairs that were out of her reach. That’s when the SC Housing Trust Fund, with help from Yvonne Nelson and the Williamsburg Enterprise Community Commission stepped up to add a walk-in bathtub (needed after her hip surgery), insulation, windows and some other repairs. Now Ms. Chatman thinks she can remain in her home longer.

Business Results

Homebuyer Program

During Fiscal Year 2019, SC Housing purchased 1278 first mortgages and 1248 second mortgages/down payment assistance (2526 total) totaling almost \$180 million (\$169,895,973 first mortgages and \$5,910,362 second mortgages and \$3,754,223 down payment assistance using Hardest Hit Fund assistance — \$76M more than FY2018). Fiscal Year 2019 shows considerable improvement in SC Housing Homebuyer activity over the previous three fiscal years.

SC Housing currently (as of 06/30/19) services a portfolio of 11,137 first and second mortgages. In Fiscal Year 2019, the average loan amount was \$127,900 and the average household income of borrowers was \$46,287.

South Carolina Housing Trust Fund

During Fiscal Year 2019, the South Carolina Housing Trust Fund invested \$12,236,754 into Owner-

Occupied Rehabilitation, Supportive Housing, Group Homes and Rental Housing activities. (Current awarded developers have up to a year to complete an award, dollar amounts expended in a given year may not match the amounts awarded). The program has assisted 590 families during this period. Our goal is to provide additional technical assistance and support to our sponsors and developers in efforts of creating more affordable housing units and improve the lives of our citizens.

HOME Investment Partnerships Program

During this period, HOME made 8 awards in the amount of \$3,590,660 producing 56 units. Five awards went to HOME rental housing, one to a tax credit property, and two to tax-exempt bond developments. These awards were made to non-profit organizations and for-profit entities. HOME continues to serve as a significant bridge between other SC Housing programs, helping to make dollars

Veranda at North Main ribbon cutting (Housing Tax Credit)



SC Housing participates in a Qualified Allocation Plan (QAP) Roundtable.

go further, providing leverage enhancements, and increasing opportunities to expand affordable housing initiatives throughout the state.

Housing Tax Credit Program

In fiscal year 2019, the Housing Tax Credit program allocated \$10.4 million to 16 housing developments producing 738 units. Investor demand for credits continues to be strong and remains a much needed funding source for affordable housing.

Multifamily Tax Exempt Bond Program

Four multifamily tax exempt bond program transactions closed in FY 2019 for a total of \$57,848,000: Lorick Place, \$7,500,000; Preserve at Logan Park, \$16,000,000; Belle Meade, \$10,950,000 and Killian Terrace \$23,398,000.

Project-Based Rental Assistance Contract Administration and Housing Choice Voucher Programs

Approximately 20,000 families received rental assistance through SC Housing's administration of the Project-Based Rental Assistance Contract Administration and Housing Choice Voucher Programs. Tenants pay approximately 30 percent of their adjusted monthly income toward rent and utilities, and the remainder is subsidized by the Department of Housing and Urban Development (HUD). During Fiscal Year 2019, this subsidy amounted to more than \$149.6 million. The level of rental assistance activity has remained at a consistent level for the past several years. Specifically, the Project-Based Rental

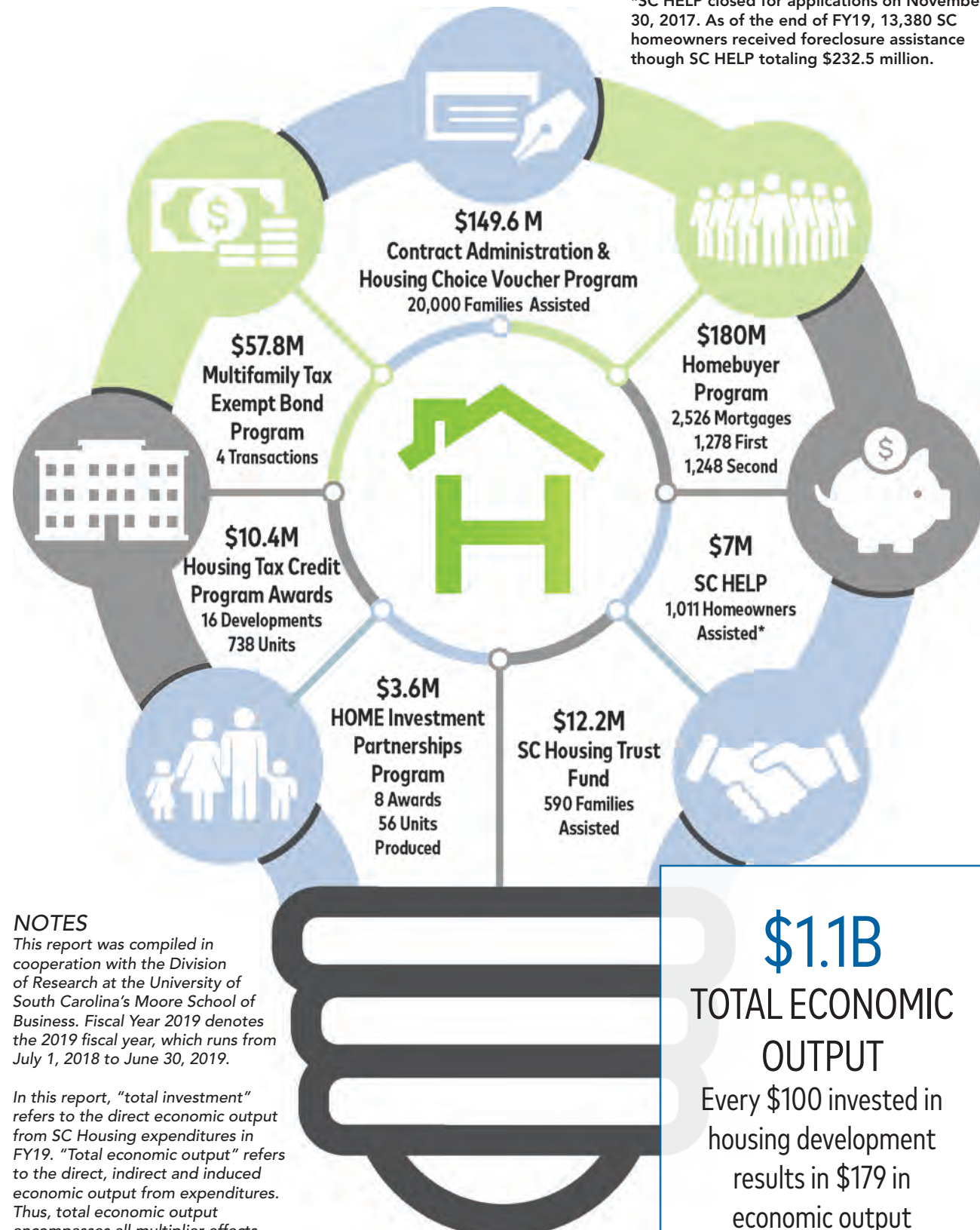
Assistance Contract Administration program assisted 17,900 families totaling \$137,759,805 in subsidy payments. The Housing Choice Voucher Program assisted an average of 2,238 families, totaling \$11,876,433 in its seven county jurisdictions (Clarendon, Colleton, Dorchester, Fairfield, Kershaw, Lee and Lexington).

South Carolina Homeownership and Employment Lending Program (SC HELP)

This program closed for new applications on November 30, 2017. Any application started prior to that date will be processed and, if qualified, will receive all funding that is available and necessary. As of the end of FY19, 13,447 SC homeowners received foreclosure assistance through SC HELP totaling \$232.5 million.

In Fiscal Year 2019, SC HELP committed more than \$7 million to assist more than 1,011 additional South Carolina homeowners.

*SC HELP closed for applications on November 30, 2017. As of the end of FY19, 13,380 SC homeowners received foreclosure assistance through SC HELP totaling \$232.5 million.



NOTES

This report was compiled in cooperation with the Division of Research at the University of South Carolina's Moore School of Business. Fiscal Year 2019 denotes the 2019 fiscal year, which runs from July 1, 2018 to June 30, 2019.

In this report, "total investment" refers to the direct economic output from SC Housing expenditures in FY19. "Total economic output" refers to the direct, indirect and induced economic output from expenditures. Thus, total economic output encompasses all multiplier effects and reflects the final demand for goods and services produced.

Decade in Review

The 2010s began with the economy of South Carolina and the nation as a whole in a challenging place. Unemployment was as high as 12 percent and foreclosures were at record highs. For SC Housing, many of our programs faced existential challenges in the aftermath of the Great Recession. A decade later, we are serving the state better than ever. We were able to make housing more affordable for a record 29,455 households statewide in Fiscal Year 2019, though this fails to tell the whole story. Another way to evaluate this is through the economic impact of our programs. By effectively leveraging available resources, we have been able to maximize the benefit to our citizens and local communities. SC Housing has taken on new programs through this time and strategically launched initiatives based upon the needs of the state. The overall economic impact of our programs and activities have grown nearly threefold, from \$413 million in FY10 to \$1.12 billion in FY19. As noted earlier, every dollar spent by SC Housing contributes \$1.79 to the state's economy. Similarly, the amount of state and local tax revenue attributable to our activities has increased from \$29.7 million in FY10 to \$74.8 million in FY2019, and the number of full-time equivalent jobs created has more than doubled, from 3,478 in FY10 to 7,260 in FY19.

Total Annual Investment (in millions)



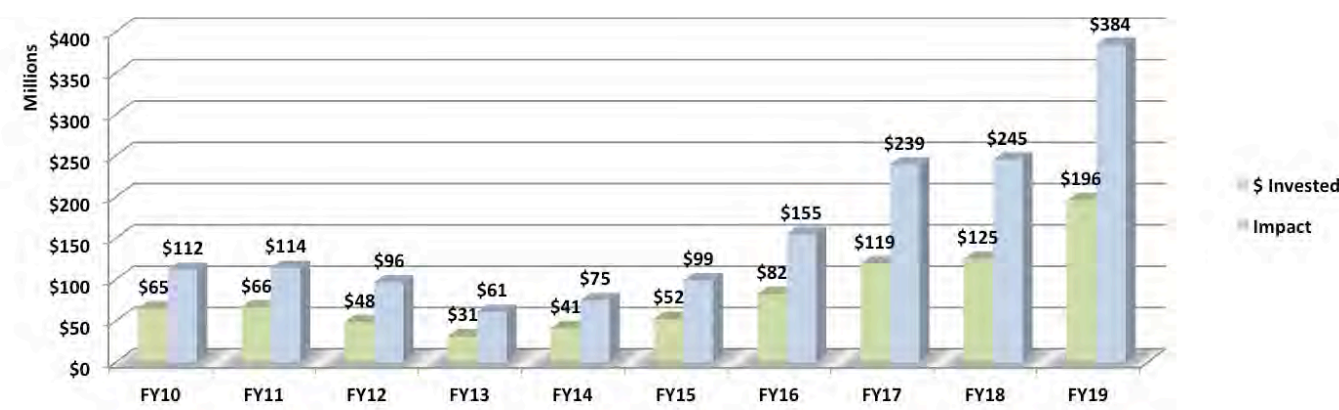
Total Annual Economic Impact (in millions)



FY 2019 SC HOUSING STATEWIDE ECONOMIC IMPACT REPORT

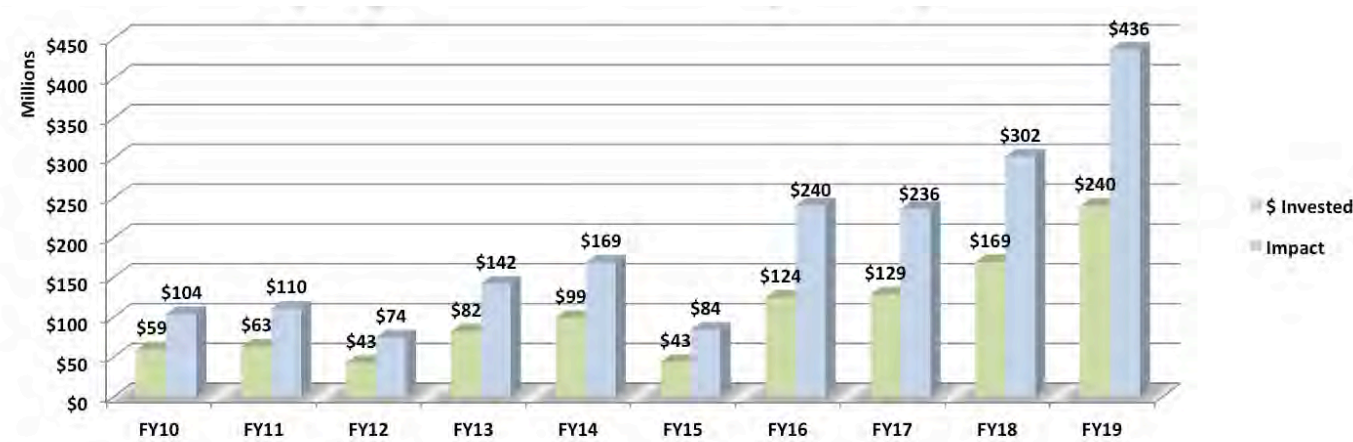
SC Housing’s homeownership programs have repeatedly adapted throughout the decade to meet changes in the market and the public sector. Our ability to quickly adjust interest rates and down payment assistance to meet the needs of homebuyers in South Carolina means that we are able to offer competitive, fixed rate mortgages. Starting in late FY11, we began administering the SC HELP program, which used federal funds to provide relief to thousands of homeowners facing foreclosure; these one-time funds are now nearly exhausted. As that program wound down, however, mortgage volume accelerated dramatically, thanks to an accelerating housing market and changes to program offerings that made our loans more attractive, such as forgivable down payment assistance and new products for low-income homebuyers. Overall, the total economic impact of these programs, which fell from \$112 million in FY10 to \$61 million in FY13, has since rebounded dramatically to a record setting impact of \$384 million in FY19.

Homeownership Programs



We also administer the federal Low Income Housing Tax Credit (LIHTC), which is by far the largest source of funding for the construction and preservation of affordable multi-family rental housing in the United States. Similarly, at the beginning of the decade, the market for these credits was severely distressed and there was less demand for such investments. In FY10, SC Housing was able to facilitate \$59 million in LIHTC program activity, generating an economic impact of \$104 million. Thanks to increasing volume in the non-competitive “4 percent” LIHTC program, which combines credits with tax-exempt bonds, total investment increased fourfold over the decade to \$240 million, generating an economic impact of \$436 million. This program is vulnerable to national economic conditions and, though currently growing, is still far from adequate to meet the overwhelming need for affordable rental housing.

Low Income Housing Tax Credit (LIHTC)



FY 2019 SC HOUSING STATEWIDE ECONOMIC IMPACT REPORT

The South Carolina Housing Trust Fund was created by the General Assembly in 1997 to advance affordable housing in our state. The program’s revenue comes from deed tax stamp fees, which are reliant upon transaction volume in the real estate market. Early this decade, in the aftermath of the Great Recession, this meant that very little money made its way into the Fund. In the second half of the decade, however, activity has picked up dramatically. (Activity in FY18 was artificially reduced due to the timing of funding allocations, not a decrease in expenditures.) These resources support emergency repair and rehabilitation for very low-income homeowners as well as supportive housing and group homes. More recently, HTF dollars have also supported the Small Rental Development Program, started in 2018, which funds rental projects that do not fit within LIHTC guidelines. The Fund produced nearly \$12 million in economic impact in FY19.

The South Carolina Housing Trust Fund



Year	Benefit	Investment	SF Clients	MF Units	HA Units	Jobs	Taxes
FY10	\$413M	\$262M	1,432	2,503	20,158	3,478	\$29.7M
FY11	\$426M	\$270M	1,810	1,979	19,853	3,413	\$28.7M
FY12	\$407M	\$262M	4,544	1,786	19,955	3,603	\$20.5M
FY13	\$482M	\$292M	5,015	1,109	20,155	3,875	\$22.3M
FY14	\$506M	\$317M	5,812	1,130	19,538	3,869	\$35.2M
FY15	\$475M	\$296M	5,303	662	20,062	3,219	\$34.5M
FY16	\$693M	\$402M	5,200	1,911	20,078	4,719	\$46.4M
FY17	\$793M	\$448M	4,443	1,714	20,046	5,336	\$53.6M
FY18	\$869M	\$495M	5,081	2,592	20,099	5,758	\$58.1M
FY19	\$1.12B	\$626M	4,140	5,180	20,135	7,260	\$74.8M

South Carolina Housing Needs Assessment: Fast Facts



including more than half of all renters, to come up short in meeting their most basic needs, such as food, clothing, and transportation.

- This shortfall, known as shelter poverty, imposes a cost on the state of South Carolina of **\$8.4 billion** that is borne by public assistance, private charity, or personal deprivation.

Additional Facts

- South Carolina's population is expected to increase 13 percent by 2030, but most counties in the state are projected to lose residents in that time due to economic distress in many rural communities.
- The median South Carolina worker earned only \$33,750 in 2018, which is still below the 2009 figure after adjusting for inflation (\$34,358).
- One quarter of South Carolina renters are considered extremely low-income, meaning that they earn no more than 30 percent of area median income (AMI); of these, 73 percent are severely cost burdened.
- A typical South Carolina household spends 57 percent of its income on housing and transportation costs.
- One in six housing units in South Carolina is manufactured, nearly triple the national rate.
- South Carolina's homeownership rate was 72 percent in 2018, sixth highest in the country.
- The median single-family home in South Carolina was reported to be worth \$148,600; this ranges from \$52,100 in Allendale County to \$283,800 in Beaufort County.
- The median tenant household in South Carolina paid \$836 per month in rent and basic utilities; this ranges from \$535 in Marion County to \$1,105 in Beaufort County.

Key Takeaways

- One quarter of South Carolina renters experience severe cost burden, meaning that they spend more than half their gross income on rent or have no income at all.
- In 41 of 46 counties statewide, the average South Carolina renter cannot afford a basic two-bedroom apartment without overextending their budget.
- South Carolina has, by far, the highest rate of evictions in the United States. This leads to severe housing instability for impoverished tenants.
- There are about 72,000 subsidized housing units in South Carolina, which only serves about one out of every five low-income renters statewide.
- More than 4,000 South Carolinians were counted as experiencing homelessness last January, but this is only a small fraction of the affected population.
- Excessively high housing costs cause 32 percent of South Carolina households,

Housing 2020 Vision: Strategic Priorities

As the agency begins to map out its Housing Vision for 2020, we will continue to use the data contained in this report (and the related SC Housing Needs Assessment) to translate these data insights into action. This year, SC Housing will be intensifying its efforts towards innovative solutions to better address affordable housing needs in our state by:

1. Taking an even deeper look into the unique housing needs of local communities and the complex issues that affordable housing presents for various groups of South Carolinians, including our most vulnerable citizens—i.e., those school-aged children who are sleeping in cars or moving from house to house because they do not have a stable place to call home;
2. Broadening partnerships with health and education partners who are trying to address the effects of housing instability on the lives of those who have limited, or in some cases, no access to affordable housing;
3. Redesigning and realigning our current programs and policies based upon data-driven decision-making that include both empirical data, as found in the needs assessment section of this report, and feedback and survey data from our customers, housing partners, and other affordable housing advocates and champions; and
4. Strategically planning a 5-year course of action based upon quantitative and qualitative data about local community needs, as well as housing market and industry demand signals.



ABOUT SC HOUSING



SC Housing is a self-sustaining housing finance agency committed to ensuring that South Carolinians have the opportunity to live in safe, decent, and affordable housing. Agency operations are supported by a funding base that includes fees and other revenue earned through the administration of agency programs.

Our office is located in Columbia, South Carolina.

Find us on Facebook: **/SCStateHousing**
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SOUTH CAROLINA STATE HOUSING FINANCE & DEVELOPMENT AUTHORITY
300-C OUTLET POINTE BLVD., COLUMBIA SC 803.896.9001